

§ 89.2 Applicability and scope.

The provisions of this part apply to the Office of the Secretary of Defense, the Military Departments, and the Defense Agencies and govern the policy under which civilian employees may make allotments of their pay.

§ 89.3 Definitions.

Selected Terms used are defined below:

(a) *Allotment*. A recurring, specified deduction from pay authorized by a civilian employee to be paid to an allottee.

(b) *Allottee*. The person or institution to whom an allotment is made payable.

(c) *Allotter*. The employee from whose civilian pay the allotment is made.

(d) *Pay*. The net pay due an employee after all deductions authorized by law (such as retirement, social security, Federal and State withholding tax, health benefits, and group life insurance) have been made.

(e) *Continental United States*. The several States and the District of Columbia, but excluding Alaska and Hawaii.

§ 89.4 Criteria and standards.

(a) *Authorized allotments*. Allotments may be made for the following purposes:

(1) Support of relatives or dependents of the allotter.

(2) Savings.

(i) Unrestricted as to allottee. Two such allotments may be authorized an eligible employee at any one time. The eligibility criteria are specified in paragraph (b)(1) of this section.

(ii) Allotted to a financial organization for credit to a savings account of the allotter as authorized by the Treasury Fiscal Requirements Manual. Only two such allotments, in whole dollars, under this provision shall be allowed an eligible employee. Eligibility criteria are specified in paragraph (b)(2) of this section. Monies thus credited to the allotter's savings account may be used for any purpose in accordance with the desires and direction of the allotter as long as that purpose does not circumvent any statute, executive order or other applicable regulation.

(3) Payment of commercial insurance premiums on the life of the allotter.

(4) Payments of U.S. Government Life Insurance or National Service Life Insurance premiums.

(5) Voluntary liquidation of indebtedness to the U.S. Government.

(6) Repayment of loans obtained for the purchase of a home.

(7) Payment of certain State and District of Columbia income taxes as authorized by OPM Regulation and the Treasury Fiscal Requirements Manual.

(8) Payment of certain city income taxes as authorized by OPM Regulation and the Treasury Fiscal Requirements Manual.

(9) Payment of labor organization dues as authorized by DoD Directive 1426.1,¹ "Labor-Management Relations in the Department of Defense".

(10) Charitable contributions to a Combined Federal Campaign as authorized by DoD Directive 5035.1,¹ "Fund-Raising within the Department of Defense" and DoD Instruction 5035.5,¹ "DoD Combined Federal Campaign—Overseas Area (CFC-OA)".

(11) Purchase of U.S. savings bonds. Employees normally will be permitted only two such allotments at any one time. Additional allotments for amounts of \$18.75 or more in approved increments may be authorized to the extent the pay system can accommodate such allotments.

(12) Payment of dues to a professional or other association. One allotment in a calendar year may be made by an employee to an association when the association:

(i) Provides some worthwhile function or service that would contribute to the agency's mission and programs or to the morale and welfare of the agency's employees. (See also DoD Instruction 5010.30,¹ "Intramanagerial Communication and Consultation".)

(ii) Has a sufficient number of members who request dues withholding to justify the administrative arrangements required; that is, a minimum of either 50 participants, or 1 percent of the total number, paid by the payroll office. This criterion may be waived by the Assistant Secretary of Defense

¹Copies may be obtained, if needed, from the U.S. Naval Publications and Forms Center, 5801 Tabor Avenue, Philadelphia, PA. 19120. Attention: Code: 301.